Phillips 66 (Thrive Fireside Chat)

Thrive Energy Conference Hosted by Daniels Energy
03-06-2025

Geoff Jay

Alright guys, let's get rolling here. This is our fireside chat with Phillips 66. I am Geoff Jay, a partner with Daniels Energy. My cohost is Luis Rhi, a senior analyst and managing director at Barrow Hanley.

Thank you once again, Mark Lashier for making the long journey over. By way of introduction, Mark is the Chairman and CEO of Phillips 66, a diversified energy company. Prior to becoming CEO in 2022, Mark held the role of Chief Operating Officer and President of Phillips 66 and CEO of CPChem. Mark, thanks for joining us.

Mark Lashier

Thanks a lot, Geoff. It's great to be here with you and Luis.

Luis Rhi

Good morning, Mark. Phillips 66 is a downstream integrated company with a Midstream business, refining business, marketing business and a JV on the petrochemicals side. First question comes as, what are the core competencies of Phillips 66?

Mark Lashier

The core competencies of Phillips 66 are our ability to gather, process and turn hydrocarbons into things that people use every day. To do it reliably and safely day in and day out. I think that is the beauty of the assets we have, the integration that we have. Wherever the margin is showing up in those value chains we can capture that and deliver value back to our shareholders. It is really about molecule management and maximizing the optionality around those molecules.

Luis Rhi

When you look at the portfolio you have some world-class assets, some assets that are being integrated. The market doesn't seem to recognize that value you have on the assets. You add that you have an activist investor currently involved that is trying to push or unlock some of the shareholder value. They have some strategies that suggesting break up of several businesses or selling business. They did nominate a handful of directors this week. Maybe you can talk about what make sense, what doesn't make sense. What are their objectives and how are you going to create shareholder value?

Mark Lashier

Number one we are absolutely committed to creating shareholder value. Full stop. 100% focused and we are interested in talking to any shareholder that wants to talk about our strategies and how we intend to enhance shareholder value over time and Elliott is welcome to engage with us on that. Every scenario that has been put out there, we have looked at and reviewed. Because we are always looking at what is the right way to make the most value out of our assets and deliver that to shareholders. Over the last several years we have been developing that, keeping our Board up to date. Being challenged by our Board, we have a great Board. Lot of intellectual fire power at the Board level and a lot of experience. They keep our feet to the fire. They challenge us in every strategy dimension that you can imagine. Where we have concluded over multi-years is… look we have a great opportunity to grow a great midstream franchise. So, let's get on with that, let's do that. Let's execute that. Also, recognition that we have an opportunity to have a world class refining business as well. But we've had some work to do, and we've been on a bit. We're two and a half years into a journey of improvement to create that world class refining platform that we believe, complements what we have in our NGL midstream business. And the story of both of those is still being written. I think the world is starting to recognize. After we announced our EPIC Y-Grade transaction in January, that Phillips 66 is very serious about becoming a player in the midstream NGL business, and it really put us on the map with respect to a lot of investors. We were at a conference in January right after that announcement, and you could literally see the light bulbs going off above people's heads that say that, look, you're serious about that. And so, I think that says there is a lot of investor interest. Investors like the model that we can create consistent, stable cash flow from NGL business and to grow that in a very accretive way. And it complements the more volatile refining cash flows that we have. And we're quite often asked what is the value of integration across those platforms. And we, we know that to, to a fine level of detail that we don't discuss publicly, but at a high level, our key metric across the board is return on capital employed.

Mark Lashier

Every dollar we allocate we assess does it help or does it hurt. Our return on capital employed every investment we make. And over the last ten years, our average return on capital employed has been higher than the bucket of NGL midstream companies we compete with and the bucket of refining companies that we compete with. So, we must be doing something in there to be able to see that metric, at that level over time. And we believe that return on capital employed is a precursor to growing total shareholder return, and that should eventually show up in the multiples. So, I think it's the other thing, when we look at multiples, we do believe we're getting some credit for the NGL business today because we're trading at on 2025 consensus earnings. We're at 8.5, 8.6 multiple refiners are trading at around a seven multiple. So, we're getting a turn and a half higher multiple that's coming from somewhere. We believe it's coming from our exposure to midstream because chemical multiples are actually lower than that today. So, there's plenty of evidence that the model works. And these assets are deeply physically integrated. We can optimize in real time. We can trade around the information we access and the molecules that we access there very effectively. That actually enhances the value creation as well. So, we've got a robust story.

Geoff Jay

So, Mark, when you look at their, you know, Streamline 66 deck, what elements of that do you agree with? And then I guess what elements of that do you most strongly disagree with?

Mark Lashier

We agree that we should be focused on shareholder value creation. And there are different paths. We have different opinions on how to get there. We agree that today our share price is undervalued. My favorite page in that document is the page where they talk about how great our world class assets are and what a wonderful job we've done building out the midstream NGL business. So, there is a level of agreement. I think what we disagree with is the way they characterize our improvement journey. In 2022, we set out some pretty aggressive strategic priorities around refinery performance improvement, how we're going to create value in refining, how we're going to return $10 to $12 billion to shareholders through share repurchases and, and, and dividends, how we were going to aggressively go after cost savings. We got into 2023 and said, hey, we're making such good progress. We're going to up those up the bar on all of those across the board. And we out delivered all of them, except our balance sheet is a little more stretched, but we still have an A3/BBB+ credit rating. But we stretched it a little bit because margins came off last year, and we felt like we had the capacity to do that, and for them to come back and say, well, you didn't really do any of that stuff in this streamline was a bit disingenuous.

Mark Lashier

And they and also the way that they compare us to our refining competitors, we report on a refining segment, others report on refining and marketing segment. So, it's not quite an apples-to-apples comparison. We benchmark ourselves aggressively. We don't shy away from looking at a fair comparison. And, that's the way they should look at it as well. Do we have more to do in refining? Absolutely. I've characterized in other forums that those strategic objectives that we achieved and exceeded, those are milestones on a journey to bigger and better things. We're not going to rest. And through that process, we've created an organization of people that are committed to getting out of bed every day and finding better ways to do everything. We've got people in our refining organization that five years ago, the world was telling them that they should just go away because refining is dead. We've convinced them that not only is refining not dead, but we also intend to win in refining. We intend to make the changes we need to, to be able to compete every day and to be world class and they're committed to doing that. And they know that that journey isn't finished yet. And so that's what we're out here to discuss.

Luis Rhi

So, Mark, I know there's a lot of industry people in this room, and some of your customers have been very critical in reliability, especially in the legacy DCP assets in the Permian. I know you acquired several assets. You're committing capital. What are you doing to appease those concerns from your customers?

Mark Lashier

You know, we've got a lot of experience in joint ventures, as you know, some work great when there's shareholder alignment like there is at CPChem. They outperform and they create incredible value. One of the challenges that we had with DCP is there was not always owner alignment between the partners, and the net result was the DCP assets suffered. They were constrained, they couldn't grow, and they couldn't do the things that they needed to do to serve and please their customers. And so, by rolling DCP in house, we started addressing those challenges. You've seen the growth and you've seen much broader customer support. There is still that that ghost of past performance. Okay. We want to see it. You know, our goldsmith plant has been a disappointment to many upstream folks. We're going to take care of that and we're going to, we're committed to addressing that. And so, we will be the leading provider of reliability. We know that they count on us every day to clear their Y-Grade so they can produce the hydrocarbons they want to produce. And that's the kind of, you know, service provider we're going to be. With the addition of the EPIC system, it allows us the greatest flexibility in the NGL business to get to whatever market makes the most sense for that upstream producer. So, we can access Corpus Christi, we can access our Sweeney complex, go out through Freeport, and we can go all the way up to Mont Belvieu, and we can afford the greatest flexibility versus being locked in just one of those nodes. And so, we want to have happy customers. We've got long term relationships out there that that really bolster our presence in the NGL, in the gathering and processing end of that business, great transportation assets and world class fractionators. And we can be the reliable operator that they need us to be to make sure we clear their liquids every day. They can go to bed at night and not worry about it.

Geoff Jay

Maybe taking a look at chemicals for a minute. I mean, I think, you know, the first year you were here, Mark, you know, chemicals were the improvements seemed a very long way away last year. Improvements seemed to just be getting started. And, you know, I think we're you know, we're well, sort of on our on the road to improvement wondering if you have could give us a view on sort of where you think, you know, global inventories are, where we are in the chem cycle recovery. Um, you know, and I guess maybe what inning? And maybe to think about what about growth in chems going forward for you guys?

Mark Lashier

Yeah, I think that we our view is that it's been one of the longest downturns, and I think that other, other participants in the business will acknowledge it's been one of the longest downturns in our careers, in 30, 40 years. We had a great run for a long time. The downturns were fairly muted, really driven by a lot of globalization, a lot of things going on. And this is, this has been, a tougher one. But one thing I will say about CPChem at the at the bottom of the cycle, CPChem as a company was generating $2 billion in EBITDA. So, they were built for that. They've got the best feedstock position in the world, they've got the best global marketing network, and they're very focused on what they're good at and their competitive position. So, they were running at 100% max operating rates when European competitors were shutting down. They're taking market share. So that's part of the healthy part of this down cycle. As you're seeing you're seeing competitors that can't compete with CPChem. Leaving the stage. And so that'll be part of the recovery discussion. We saw the green shoots of recovery last year. The polyethylene business in particular is very seasonal. So, you'll start to see things improve. We do see things tightening up through 25-26. They will have two even more competitive assets come on. And I think that you know those that that aren't doing well in the cycle should be nervous about that because they will be even more competitive. And why would you back away from a market that's growing on a global basis, when you've got the most competitive cost position to leverage, and the demand continues to grow out there. Global demand continues to grow.

Mark Lashier

It grows at a multiple of GDP because you still have billions of people that are making their transition from poverty to the middle class. And we've believed in that. We've believed in that for the last 25 years and have created a lot of value with that. So, we believe the model and over time, it's been a very robust return on capital employed business and the model everybody. Everyone wants to know, well, should Chevron own these assets? Should Phillips own these assets? The bottom line is the model has worked. You know, back in 1999, you had two big integrated oil companies that that were frustrated with their chemicals business. And they didn't really know what to do with them. Let's put them together. Let's burn the bridges, cast them afloat and make it work. And it was basically a break, even business in those days. Now you fast forward, once these big projects are online, they're going to, they're going to generate, you know, numbers approaching $6 billion of midcycle EBITDA. That's a pretty remarkable robust story. And it's part of our story. And so why would we why would we walk away from that in particular around our Sweeney complex. We're deeply integrated with their assets. We send molecules from our Sweeney refinery into the crackers, and even some of their polyethylene off gases come back to the refinery to be processed. It is it is very synergistic in that structure. And so great assets, great people, lean organization, delivering value every day.

Luis Rhi

With that Mark, obviously we're in a down cycle on the chemical side. You are in a ramp up to build two big crackers. One of the pushes for the from the activist investors to monetize the CPChem venture. Why does it make sense to be under the Phillips umbrella?

Mark Lashier

I think it's part of the very first question you asked is, what is your core competency? Our core competency is taking hydrocarbons at these great upstream companies are producing and making sure that those molecules have a home. Ethane is an orphan molecule without the petrochemical industry. And we have developed, along with Chevron, this platform that is an ethane consuming machine. And we've got the midstream assets that make sure that those ethane molecules get where they need to go and to do it cost effectively and profitably for us. And so, we're the most competitive entity through CPChem on the planet to do that.

Luis Rhi

But financially to monetize this. Can you explain is there any cost considerations, tax considerations?

Mark Lashier

There would certainly be. The tax basis of CPChem is very low. And so there would be and it's a limited partnership. And so, when you would monetize that there would be a substantial tax burden on the seller. I think that, you know, we, we share streams at Sweeney, but there's always in the back of your mind. Well, okay. Any value I give to CPChem, our partner gets $0.50 of that. If it was fully integrated, we'd get benefit, and it would create a little bit more efficient mindset. There are roomfuls of documents that that govern how that joint venture works, particularly when you've got co-located assets. And so, you would actually get rid of some of that dissynergy. And we're the only ones that are co-located with CPChem assets. There's no, you know, there's no Chevron model that's like the Exxon model that has petrochemicals deeply integrated with the refinery. That all exists at our Sweeney refinery. So I would take you back to this model has worked. CPChem has grown faster and more profitably than its competitors and LyondellBasell and Dow. And it's been able, it's been able to box above its weight because it had these two strong shareholders. So, we love the relationship with Chevron. We see no reason to change the model today. But if someone walked in here, President Trump says, okay, I don't like joint ventures. One of you needs to own this. We'd make the strong argument that we're the natural owner for it, because of our ability to focus on the processing of hydrocarbons versus the exploration and production of hydrocarbons, but without in the absence of that, we like the model. We think we've created a lot of value and can continue to create a lot of model value through that model.

Luis Rhi

We move to the refining segment. I know it's been, in some instances, an underperformer. You've set a couple years back in the Analyst Day, very aggressive targets in terms of improving profitability, capture rates, reducing costs. Where are you in that in that plan? And obviously with the down market, does this help you invest counter-cyclically to improve the operations?

Mark Lashier

Absolutely. And what we've done, uh, over the last two and a half years has had an intense focus on efficiency, improvement, cost, takeout. You're seeing that in the dollar per barrel, all of that. And making very responsible small capital investments, $20 million here or there, you know, maybe aggregate $200 or $300 million a year to improve the reliability of the crude units. So, we focus on crude unit utilization, throughput. We've focused on upgrading the yields. And so, for the last, I think for the last ten quarters, we've had utilization rates well above the industry average. I think fourth quarter we were at 94%. Last year we had record yields, 87% clean product yield. So, you're starting to see it in those metrics. And when margins return, you're going to see, you know, our rightful share of margin capture emerge as well. And those are just the high-level numbers. And we're doing that. We're focusing on our Mid-Continent fleet because we feel that's where we have the most integrated advantage. We have advantages. We tend to outperform on EBITDA per barrel in the Mid-Continent. That's where our strength is. But we don't have as many refineries or as big as refineries as some of our competitors do in other locations like the Gulf Coast or the West Coast. Even the relative advantages on the East Coast. So that's why we're focusing on the mid-con. We're going to play to our strengths. We're going to focus on pull through efficiencies, optimizing between refineries, moving the intermediate products to where they can create the most value. And so, this is a multi-year journey with those kinds of investments. We're two and a half years into it. We are shifting. We're not losing track of cost reductions. We're still doing cost reductions, but now we're opening the aperture to really aggressively go after margin enhancement opportunities.

Luis Rhi

So, if the concentration is in the Mid-Con and you still have refineries on the coasts, you did the decision to shut down Los Angeles. Does it make sense to still be on the coast?

Mark Lashier

The East and West coasts are more challenging for us. We've been public about that. Our strategy is to focus on the Mid-Continent and the Gulf Coast. And while we don't have the biggest assets on the Gulf Coast, we have some of the best assets on the Gulf Coast that are good, strong position. And you've seen us, though we had a noncompetitive refinery in Louisiana that was also hit by a couple of hurricanes. Alliance has gone. You know, Rodeo, we converted to renewable diesel. And that was a "do we shut it down permanently or do we convert it to renewable diesel?" It had lots of advantages around renewable diesel. So, we did that. And Los Angeles we're going to cease operations in October and it's going to improve our EBITDA per barrel because it's not contributing much to EBITDA. And it's going to pretty dramatically improve our cost per barrel. And so those metrics will improve. But and so we're we will exit assets that that we don't see a future for that that that don't have the ability to generate value or can't generate value in someone's hands like we're doing with Los Angeles or Alliance. We're also we're also monetizing assets that aren't part of our core business, assets that really are trapped capital like a part of like the Rex pipeline. No opportunity to grow. It's generating good EBITDA. Someone's willing to reward us for that

EBITDA at a high multiple, and that frees that capital up for other strategic purposes. Some of it can be returned to shareholders. Some of it can bolster the balance sheet. Some of it can be redeployed in, you know, acquiring stranded assets in the in the Permian that are direct plug and play into our wellhead to market backbone. So, it goes from a five multiple acquisition to a ten multiple NGL asset literally overnight. And so, we think that's good capital stewardship, good capital allocation and an intense focus on returns.

Geoff Jay

So, Mark we're just about out of time. So, I want to give you the opportunity to basically, you know, give the crowd any parting thoughts or give you a chance to finish the way you want to finish.

Mark Lashier

Well, we believe in our strategy. We believe in our business. We're in the early innings of both the NGL growth story as well as the refining improvement story. And we intend to be an entity that can create value across the cycle. We've got this robust balance sheet. Nobody in the refining business can match our balance sheet, or in the NGL business can match our balance sheet. That's going to afford us the opportunity to both make the investments that provide the growth opportunities to reward shareholders in the future, while returning aggressive amounts of cash to shareholders. Today, we're going to we've committed to return at least 50% of our cash flow or operating cash flow to investors, to shareholders. In 2023, it was 66%. I like that number – 66% is a good number. Last year was 110%. And so, we are absolutely committed to shareholder returns today and growing the company in a responsible, accretive way to be able to deliver that value to shareholders in the future. Full stop.

Geoff Jay

Thanks. And Luis, thank you too. Really appreciate both of your time.

Mark Lashier

Thanks, Geoff.

Geoff Jay

Thanks.

Forward-Looking Statements

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This document contains forward-looking statements within the meaning of the federal securities laws relating to Phillips 66's operations, strategy and performance. Words such as "anticipated," "commitments," "estimated," "expected," "planned," "scheduled," "targeted," "believe," "continue," "intend," "will," "would," "objective," "goal," "project," "efforts," "strategies" and similar expressions that convey the prospective nature of events or outcomes generally indicate forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements included in this news release are based on management's expectations, estimates and projections as of the date they are made. These statements are not guarantees of future events or performance, and you should not unduly rely on them as they involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Factors that could cause actual results or events to differ materially from those described in the forward-looking statements include: changes in governmental policies or laws that relate to our operations, including regulations that seek to limit or restrict refining, marketing and midstream operations or regulate profits, pricing, or taxation of our products or feedstocks, or other regulations that restrict feedstock imports or product exports; our ability to timely obtain or maintain permits necessary for projects; fluctuations in NGL, crude oil, refined petroleum, renewable fuels and natural gas prices, and refining, marketing and petrochemical margins; the effects of any widespread public health crisis and its negative impact on commercial activity and demand for refined petroleum or renewable fuels products; changes to worldwide government policies relating to renewable fuels and greenhouse gas emissions that adversely affect programs including the renewable fuel standards program, low carbon fuel standards and tax credits for renewable fuels; potential liability from pending or future litigation; liability for remedial actions, including removal and reclamation obligations under existing or future environmental regulations; unexpected changes in costs for constructing, modifying or operating our facilities; our ability to successfully complete, or any material delay in the completion of, any asset disposition, acquisition, shutdown or conversion that we have announced or may pursue, including receipt of any necessary regulatory approvals or permits related thereto; unexpected difficulties in manufacturing, refining or transporting our products; the level and success of drilling and production volumes around our midstream assets; risks and uncertainties with respect to the actions of actual or potential competitive suppliers and transporters of refined petroleum products, renewable fuels or specialty products; lack of, or disruptions in, adequate and reliable transportation for our products; failure to complete construction of capital projects on time or within budget; our ability to comply with governmental regulations or make capital expenditures to maintain compliance with laws; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets, which may also impact our ability to repurchase shares and declare and pay dividends; potential disruption of our operations due to accidents, weather events, including as a result of climate change, acts of terrorism or cyberattacks; general domestic and international economic and political developments, including armed hostilities (such as the Russia-Ukraine war), expropriation of assets, and other diplomatic developments; international monetary conditions and exchange controls; changes in estimates or projections used to assess fair value of intangible assets, goodwill and property and equipment and/or strategic decisions with respect to our asset portfolio that cause impairment charges; investments required, or reduced demand for products, as a result of environmental rules and regulations; changes in tax, environmental and other laws and regulations (including alternative energy mandates); political and societal concerns about climate change that could result in changes to our business or increase expenditures, including litigation-related expenses; the operation, financing and distribution decisions of equity affiliates we do not control; and other economic, business, competitive and/or regulatory factors affecting Phillips 66's businesses generally as set forth in our filings with the Securities and Exchange Commission. Phillips 66 is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information

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Phillips 66 plans to file a proxy statement and accompanying WHITE proxy card with the U.S. Securities and Exchange Commission (the "SEC") in connection with its 2025 Annual Meeting of Shareholders (the "2025 Annual Meeting") and its solicitation of proxies for Phillips 66's director nominees and for other matters to be voted on. Phillips 66 may also file other relevant documents with the SEC regarding its solicitation of proxies for the 2025 Annual Meeting. **PHILLIPS 66 SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ THE PROXY STATEMENT (AND ANY AMENDMENTS AND SUPPLEMENTS THERETO) AND ACCOMPANYING WHITE PROXY CARD AND ANY OTHER RELEVANT SOLICITATION MATERIALS WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION**. Shareholders may obtain copies of the proxy statement, any amendments or supplements to the proxy statement and other documents (including the WHITE proxy card) as and when filed by Phillips 66 with the SEC without charge from the SEC's website at www.sec.gov. Copies of the documents filed by Phillips 66 with the SEC also may be obtained free of charge at Phillips 66's investor relations website at https://investor.phillips66.com or upon written request sent to Phillips 66, 2331 CityWest Boulevard, Houston, TX 77042, Attention: Investor Relations.

Certain Information Regarding Participants

Phillips 66, its directors, certain of its executive officers and employees may be deemed to be participants in connection with the solicitation of proxies from Phillips 66 shareholders in connection with the matters to be considered at the 2025 Annual Meeting. Information regarding the names of such directors and executive officers and their respective interests in Phillips 66, by securities holdings or otherwise, is available in Phillips 66's proxy statement for the 2024 annual meeting of shareholders, which was filed with the SEC on April 3, 2024 (the "2024 Proxy Statement"), including in the sections captioned "Executive Compensation Program Overview," "Director Compensation," "Compensation Discussion and Analysis," "Executive Compensation Tables" and "Beneficial Ownership of Phillips 66 Securities." To the extent that Phillips 66's directors and executive officers have acquired or disposed of securities holdings since the applicable "as of" date disclosed in the 2024 Proxy Statement, such transactions have been or will be reflected on Statements of Changes in Ownership of Securities on Form 4 or Initial Statements of Beneficial Ownership of Securities on Form 3 filed with the SEC, including: Form 4s filed by Gregory Hayes on April 2, 2024, May 2, 2024, June 4, 2024, July 2, 2024, August 2, 2024, September 4, 2024, October 2, 2024, November 4, 2024, December 4, 2024, January 3, 2025, January 17, 2025, February 4, 2025 and March 4, 2025; Form 4s filed by Richard G. Harbison on December 9, 2024, February 11, 2025 and February 13, 2025; Form 4s filed by Mark E. Lashier on April 2, 2024, May 16, 2024, December 9, 2024, February 11, 2025 and February 13, 2025; Form 4 filed by Glenn F. Tilton on January 17, 2025; Form 4s filed by Brian Mandell on December 9, 2024, February 11, 2025 and February 13, 2025; Form 4s filed by Kevin J. Mitchell on August 19, 2024, December 9, 2024, February 11, 2025 and February 13, 2025; Form 4s filed by Zhanna Golodryga on December 9, 2024, February 11, 2025 and February 13, 2025; Form 4 filed by Marna C. Whittington on January 17, 2025; Form 4s filed by Vanessa A. Sutherland on January 21, 2025, February 11, 2025 and February 13, 2025; Form 4 filed by Douglas T. Terreson on January 17, 2025; Form 4 filed by Denise R. Singleton on January 17, 2025; Form 4 filed by Denise L. Ramos on January 17, 2025; Form 4 filed by Julie L. Bushman on January 17, 2025; Form 4 filed by Lisa A. Davis on January 17, 2025; Form 4 filed by John E. Lowe on January 17, 2025; Form 4/A filed by Gary K. Adams on March 20, 2024 and Form 4 filed by Gary K. Adams on January 17, 2025; Form 4 filed by Charles M. Holley on January 17, 2025; Form 4 filed by Robert W. Pease on January 17, 2025; Form 3 filed by Ann M. Kluppel on May

16, 2024 and Form 4s filed by Ann M. Kluppel on December 9, 2024, February 11, 2025 and February 13, 2025; Form 3 filed by Don Baldridge on June 5, 2024 and Form 4s filed by Don Baldridge on December 9, 2024, January 3, 2025, February 13, 2025 and March 3, 2025; Form 3 filed by Grace Puma on October 11, 2024 and Form 4s filed by Grace Puma on October 11, 2024 and January 17, 2025. Additional information can also be found in Phillips 66's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 21, 2025.